

CITY OF ISSAQUAH PLANNED ACTION DETERMINATION

Project Name/Permit Number: Costco Development Agreement, Major Amendment to Pickering Place Master Site Plan – DA14-00002

Project Description: Costco Wholesale is requesting that the City of Issaquah enter into a Development Agreement for the future build out of Costco's corporate headquarters campus over a term of 30 years. Costco's property is approximately 47 acres and currently developed with approximately 550,000 square feet (SF) of office space, a 150,000 SF consumer retail warehouse and a parking garage. The Development Agreement would allow Costco Wholesale to expand its corporate campus by adding up to 1.5 million SF of additional office development, which could include up to 250,000 SF of non-office employment uses, including retail uses. The applicant would partner with the City to construct a number of street improvements.

The proposal includes a Major Master Site Plan Amendment to the Pickering Place Master Site Plan to remove the Costco property, allowing for compliance with the Central Issaquah Plan and Central Issaquah Development and Design Standards.

Property Address/Location: Costco corporate headquarters is addressed at 999 Lake Drive. The corporate campus and consumer warehouse are located in the eastern half of the Pickering Place/I-90 Corporate Center. The area is generally located north of Interstate-90, east of SR-900 and west of Issaquah Creek.

Property Zoning: Urban Core (UC)

Lead Agency: City of Issaquah

Planned Action Review Criteria: A proposal that meets all of the following criteria shall qualify and be designated as a Planned Action, consistent with the requirements of RCW 43.21C, WAC 197.11 and the City's Planned Action Ordinance No. 2665.

1. The Costco proposal is located within the Planned Action Area 2 as identified in the Central Issaquah Subarea Plan Planned Action Environmental Impact Statement (EIS) and Exhibit A of the Planned Action Ordinance No. 2665.
2. The Costco proposal is consistent with the land uses and density assumed and evaluated in the Central Issaquah Subarea Plan Planned Action EIS; consisting of the Draft EIS issued by the City on March 28, 2012, the Final EIS published on June 29, 2012, and Section 3.D of the Planned Action Ordinance No. 2665.

The Costco proposal includes Office and Retail uses that are consistent with the general categories/types of land uses and density that were evaluated in the Planned Action EIS.

3. The proposal is within the Planned Action thresholds and criteria of Section 3.D of the Planned Action Ordinance No. 2665.
 - (1) Qualifying Land Uses: Office (Professional, Professional Services, Research & Development) and General Retail and Service Uses are included in the Planned Action Ordinance as qualifying land uses.
 - (2) Development Thresholds: The total amount of new commercial development that was considered and evaluated in the EIS for Planned Action Area 2 was 2,417,839 SF. The Planned

Action EIS assumed 1.5 million SF of new commercial growth in the Pickering Place/I-90 Corporate Center. The Costco proposal for 1.5 million SF is consistent with the development thresholds.

- (3) Transportation Thresholds: Traffic that would be generated from the Costco proposal was included in the EIS traffic model and evaluated in the Planned Action EIS transportation element. The EIS also assumed specific roadway improvements would occur with the land use growth projections to maintain the City's adopted Level of Service (LOS) threshold of LOS D.

Trip ranges - The Costco proposal is consistent with the traffic trip generation (PM peak hour trips) and trip ranges that were assumed in the EIS traffic model and evaluated in the Planned Action EIS.

A Traffic Analysis (Transportation Solutions, Inc., August 8, 2014) was prepared for the Costco proposal and the potential expansion would generate 1,828 PM peak hour trips. This is consistent with PM peak hour trips and screenline traffic volumes in the Planned Action Ordinance.

Transportation Level of Service (LOS) - Based on the traffic model in the Planned Action EIS, which included Costco's proposed growth, the City's level of service (LOS D) threshold would be maintained, consistent with transportation concurrency requirements.

Impact Fee - The Development Agreement includes a Master Transportation Financing Agreement (MTFA), which commits Costco to funding transportation improvements intended to mitigate for the traffic impacts of the future development and would satisfy Traffic Impact Fees requirements.

Site access and safety - The Traffic Analysis (Transportation Solutions, Inc., August 8, 2014) includes an analysis of proposed driveways and intersections internal to Pickering Place. The Planned Action EIS evaluated City-wide traffic impacts but didn't consider traffic impacts internal to Pickering Place. The Traffic Analysis includes options for improvements to mitigate LOS impacts/deficiencies at internal driveways and intersections particularly along Lake Drive. These improvements are addressed in the MTFA of the Development Agreement, and improvements would be sequenced consistent with the Traffic Analysis and the construction of the future development that would necessitate the improvements. No additional SEPA review is required for the site access and safety improvements.

- (4) Development Standards: The Costco proposal is consistent with the Central Issaquah Development and Design Standards; with minor modifications to the street standards, parking stall dimensions and interpretations of building setbacks as included in the Development Agreement. The Costco Development Agreement would allow for a maximum building of 125 feet. The Aesthetics Element of the EIS included a visual impact analysis using building photo simulation and it evaluated building heights up to 150 feet. Future Costco development applications, implementing the Development Agreement, would be reviewed for compliance with the Central Issaquah Development and Design Standards and other applicable City codes and standards.
- (5) Elements of the Environment and Degree of Impacts: The Costco proposal is consistent with the type and degree of impacts that were analyzed in the Planned Action EIS. The proposal would not result in significant changes to any elements of the environment or the degree/magnitude of impacts that were analyzed in the Planned Action EIS.
- (6) Changed Conditions: Environmental conditions haven't significantly changed from those previously analyzed in the Planned Action EIS and therefore the Planned Action designation remains applicable.

4. The Costco proposal is consistent with the City of Issaquah Comprehensive Plan, which identifies the site as Urban Village. The proposal is consistent with the Central Issaquah Plan and the Central Issaquah Development and Design Standards "Urban Core" zoning; with minor modifications to the street standards, parking stall dimensions and interpretations of building setbacks as included in the Development Agreement.
5. The Costco proposal's significant adverse environmental impacts have been previously identified in the Planned Action EIS.
6. The Costco proposal's significant adverse impacts have been mitigated by the application of mitigation measures included in the EIS, project features and measures identified in the Development Agreement, and other applicable City regulations that will apply to implementing development applications.
7. The Costco proposal is not an essential public facility as defined by RCW 36.70A.200(1).

Conclusions:

1. The applicant provided a SEPA checklist (dated August 7, 2014) and Traffic Analysis (Transportation Solutions, Inc., August 8, 2014). This Planned Action determination is based on review of these materials, as well as the Costco Development Agreement.
2. The proposal meets the Planned Action Review Criteria as listed above, and is consistent with the Planned Action Ordinance No. 2665 and thereby qualifies as a Planned Action project. Therefore, no SEPA threshold determination, EIS or additional SEPA review shall be required for the Costco Development Agreement. Future permit applications implementing the Development Agreement will provide a SEPA checklist to confirm consistency with the development levels and mitigations established in the Costco Development Agreement. No additional SEPA review of development applications will be required if future development proposals are consistent the Costco Development Agreement and with this Planned Action Determination.
3. Although future Costco development applications may not require individual SEPA determinations, future development applications shall be reviewed in accordance with the applicable permit review procedures as specified in the Costco Development Agreement.
4. The decision of the SEPA Responsible Official regarding qualification as a Planned Action may only be appealed in conjunction with an appeal of the underlying permit and is limited to the determination of consistency pursuant to RCW 43.21C.440(3)(b).

SEPA Responsible Official:

Peter Rosen

Position/Title:

Senior Environmental Planner

Address/Phone:

P.O. Box 1307, Issaquah, WA 98027-1307 (425) 837-3094

Date: 8/18/2014

Signature:



